MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

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FINAL EXAMINATION

TRIMESTER 2, 2016/2017

BLC2014 – BUSINESS AND COMMERCIAL LAWS

(All sections/Groups)

1 March 2017
2.30 p.m. – 4.30 p.m.
(2 Hours)

INSTRUCTION TO STUDENTS

1. This Question paper consists of 2 pages excluding cover page.
2. Answer **ALL FOUR (4)** questions.
3. Each question carries 25 marks.
4. Please write your answers in the Answer Booklet provided.

QUESTION 1

Katherina bought an old brooch at an antique store in Shah Alam, Selangor, for RM5.00. Her uncle, a jewellery dealer glanced at it and said: "This pin might be very valuable – I'd have to check it out." Katherina, in need of money, sold the pin to Katty, a friend from Kelantan, for RM10.00. Katty did not know if the pin was valuable. Katty soon thereafter found it to be worth RM10,000. Subsequently, Katherina tendered RM10.00 to Katty and demanded the return of the brooch.

Just before Katherina approached her, Katty had offered to sell the brooch to Banupriya, a Singaporean expatriate, "*For $3000.*" Katty quoted the price in American dollars, which were worth more than Singapore dollar. However, Banupriya believed the term dollars referred to Singapore dollars. Accordingly, Banupriya signed a written acceptance. At delivery time, Banupriya tendered Katty $3,000 Singapore dollars in cash. Katty then said, "What is this stuff you are giving me?" Banupriya replied, "It's the price for the brooch, of course!" Katty said, "Give me $3,000 American or no brooch." Banupriya then retorted, "Look here! You have breached the contract."

Advise Katty with regard to her legal position in relation to both Katherina and Banupriya.

(25 Marks)

QUESTION 2

On 11 May 2016, Syarikat Tuti Bhd entered into a contract to purchase 300 units of "Canggih X" spoons from Syarikat Echa Sdn Bhd. The contract of sale stated that all spoons should be packed in labelled boxes of 10 spoons each.

On 15 July 2016, Syarikat Tuti Bhd received the delivery of the spoons but the spoons were packed in boxes of 50 spoons each. Syarikat Tuti Bhd also found out that the boxes had the word "Canggih X" spelt as "Canggih Y" on the labels. Although the different is only the one alphabet this typo error is unacceptable since "Canggih X" is a well-known spoon brand from Italy.

Lastly, when employees Syarikat Tuti Bhd opened the boxes to examine their contents they notice that 240 of the spoons were rusted. This was probably caused by low quality packaging boxes used to ship the spoons to Malaysia.

Syarikat Tuti Bhd is extremely unhappy with the transaction and seeks you advice.

Advice Syarikat Tuti Bhd accordingly.

(25 Marks)

Continued.....

QUESTION 3

Discuss **FIVE (5)** instances of "judicial exceptions" to the Doctrine of Separate Legal Personality.

(25 Marks)

QUESTION 4

a) What is insurable interest? Discuss the significance of insurable interest in a contract of insurance.
(13 marks)

b) In relation to hire-purchase, briefly discuss **FOUR (4)** statutory rights of a guarantor.
(8 marks)

c) Discuss **TWO (2)** differences between bill of exchange and promissory instruments.
(4 marks)

(Total: 25 Marks)

End of Paper